IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

EASTMAN KODAK COMPANY,)
Plaintiff,)
v.	Civil Action No
SHUTTERFLY, INC.,) <u>JURY TRIAL DEMANDED</u>
Defendant.)

COMPLAINT

For its Complaint, the plaintiff, Eastman Kodak Company ("Kodak"), alleges as follows:

The Parties

- 1. The plaintiff, Kodak, is a New Jersey corporation with a principal place of business at 343 State Street, Rochester, New York.
- 2. The defendant, Shutterfly, Inc. ("Shutterfly"), is a Delaware corporation with, upon information and belief, a principal place of business at 2800 Bridge Parkway, Redwood City, California.

Jurisdiction and Venue

- 3. This is an action for patent infringement, arising under the patent laws of the United States, Title 35 of the United States Code.
- 4. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 5. This Court has personal jurisdiction over Shutterfly because Shutterfly is incorporated in Delaware, and, on information and belief, Shutterfly has transacted business in this District, supplied goods or services in this District directly or through its agents, purposely

availed itself of the privileges and benefits of the laws of the State of Delaware, and committed acts of patent infringement during the course of its business in this District.

6. Venue is proper in this Court under 28 U.S.C. §§ 1391 and 1400(b).

Count I: Infringement of U.S. Patent No. 6,549,306

- 7. Kodak is the owner of United States Patent No. 6,549,306 B2, entitled SYSTEM AND METHOD FOR SELECTING PHOTOGRAPHIC IMAGES USING INDEX PRINTS ("the '306 patent"). The '306 patent was duly and legally issued by the United States Patent Office on April 15, 2003 and is valid and subsisting in full force and effect. A copy of the '306 patent is attached to this Complaint as Ex. A.
- 8. Shutterfly has infringed at least claim 1 of the '306 patent by using the patented invention, and/or by making, selling, and/or offering to sell photographic prints through its website, shutterfly.com, made in a manner that uses the patented invention.
- 9. Upon information and belief, Shutterfly's infringement of the '306 patent has been and continues to be willful.
 - 10. Kodak has been damaged by Shutterfly's infringement of the '306 patent.
 - 11. Shutterfly's infringement will continue unless enjoined by this Court.

Count II: Infringement of U.S. Patent No. 6,600,572

12. Kodak is the owner of United States Patent No. 6,600,572 B2, entitled SYSTEM AND METHOD FOR SELECTING PHOTOGRAPHIC IMAGES USING INDEX PRINTS ("the '572 patent"). The '572 patent was duly and legally issued by the United States Patent Office on July 29, 2003 and is valid and subsisting in full force and effect. A copy of the '572 patent is attached to this Complaint as Ex. B.

- 13. Shutterfly has infringed at least claim 1 of the '572 patent by using the patented invention, and/or by making, selling, and/or offering to sell image products and services (e.g., prints, photo books, etc.) through its website, shutterfly.com, made in a manner that uses the patented invention.
- 14. Upon information and belief, Shutterfly's infringement of the '572 patent has been and continues to be willful.
 - 15. Kodak has been damaged by Shutterfly's infringement of the '572 patent.
 - 16. Shutterfly's infringement will continue unless enjoined by this Court.

Count III: Infringement of U.S. Patent No. 7,202,982 B2

- 17. Kodak is the owner of United States Patent No. 7,202,982 B2, entitled SYSTEM AND METHOD FOR SELECTING PHOTOGRAPHIC IMAGES USING INDEX PRINTS ("the '982 patent"). The '982 patent was duly and legally issued by the United States Patent Office on April 10, 2007 and is valid and subsisting in full force and effect. A copy of the '982 patent is attached to this Complaint as Ex. C.
- 18. Shutterfly has infringed at least claim 1 of the '982 patent by using the patented invention, and/or by making, selling, and/or offering to sell image products and services (e.g., prints, photo books, etc.) through its website, shutterfly.com, made in a manner that uses the patented invention.
- 19. Upon information and belief, Shutterfly's infringement of the '982 patent has been and continues to be willful.
- 20. Kodak has been damaged by Shutterfly's infringement of the '982 patent. Shutterfly's infringement will continue unless enjoined by this Court.

Count IV: Infringement of U.S. Patent No. 6,069,712

- 21. Kodak is the owner of United States Patent No. 6,069,712, entitled IMAGE HANDLING METHOD AND SYSTEM INCORPORATING CODED INSTRUCTIONS ("the '712 patent"). The '712 patent was duly and legally issued by the United States Patent Office on May 30, 2000, and is valid and subsisting in full force and effect. A copy of the '712 patent is attached to this Complaint as Ex. D.
- 22. Shutterfly has infringed at least claim 9 of the '712 patent by using the patented invention, and/or by making, selling, and/or offering to sell image products and services (e.g., prints, photo books, etc.) through its website, shutterfly.com, made in a manner that uses the patented invention.
- 23. Upon information and belief, Shutterfly's infringement of the '712 patent has been and continues to be willful.
- 24. Kodak has been damaged by Shutterfly's infringement of the '712 patent. Shutterfly's infringement will continue unless enjoined by this Court.

Count V: Infringement of U.S. Patent No. 6,512,570 B2

25. Kodak is the owner of United States Patent No. 6,512,570 B2, entitled METHOD OF PROCESSING A ROLL OF EXPOSED PHOTOGRAPHIC FILM CONTAINING PHOTOGRAPHIC IMAGES INTO CORRESPONDING DIGITAL IMAGES AND THEN DISTRIBUTING VISUAL PRINTS PRODUCED FROM THE DIGITAL IMAGES ("the '570 patent"). The '570 patent was duly and legally issued by the United States Patent Office on January 28, 2003 and is valid and subsisting in full force and effect. A copy of the '570 patent is attached to this Complaint as Ex. E.

- 26. Shutterfly has infringed at least claim 8 of the '570 patent by using the patented invention, and/or by making, selling, and/or offering to sell image products and services (e.g., prints, photo books, etc.) through its website, shutterfly.com, made in a manner that uses the patented invention.
- 27. Upon information and belief, Shutterfly's infringement of the '570 patent has been and continues to be willful.
- 28. Kodak has been damaged by Shutterfly's infringement of the '570 patent. Shutterfly's infringement will continue unless enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, Kodak prays that this Court:

- A. Enter judgment that Shutterfly has infringed the '306, '572, '982, '712, and '570 patents;
- B. Enter an order enjoining Shutterfly, its agents and employees, and any others acting in concert with it from infringing the '306, '572, '982, '712, and '570 patents:
- C. Award Kodak its damages resulting from Shutterfly's patent infringement pursuant to 35 U.S.C. §284;
- D. Find that Shutterfly's infringement has been willful and increase the damages awarded to Kodak three times the amount assessed, pursuant to 35 U.S.C. §284;
- E. Find this to be an exceptional case and award Kodak its attorneys' fees, pursuant to 35 U.S.C. §285;
 - F. Award Kodak its prejudgment and post judgment interest on its damages;
 - G. Award Kodak its costs; and

H. Award Kodak such other and further relief as this Court deems just and appropriate.

JURY DEMAND

Plaintiff demands a trial by jury for all issues so triable.

Dated: December 10, 2010 Respectfully submitted,

By: /s/ Francis DiGiovanni

Francis DiGiovanni (#3189) Chad S.C. Stover (#4919)

CONNOLLY BOVE LODGE & HUTZ LLP

1007 North Orange Street

P.O. Box 2207

Wilmington, Delaware 19899-2207

Telephone: (302) 658-9141 fdigiovanni@cblh.com cstover@cblh.com

Attorneys for Plaintiff
Eastman Kodak Company

Of Counsel:

Michael J. Bettinger K&L GATES LLP Four Embarcadero Ctr., Ste. 1200 San Francisco, California 94111-5994

Tel: (415) 882-8200 Fax: (415) 882-8220

michael.bettinger@klgates.com

Michael E. Zeliger
Jackson Ho
K&L GATES LLP
630 Hansen Way
Palo Alto, California 94304
Tel: (650) 798-6700
Fax: (650) 798-6701
michael.zeliger@klgates.com

jackson.ho@klgates.com

6

Michael J. Abernathy
Sanjay K. Murthy
K&L GATES LLP
70 West Madison Street, Suite 3100
Chicago, Illinois 60602-4207
Tel: (312) 372-1121
Fax: (312) 827-8000
michael.abernathy@klgates.com
sanjay.murthy@klgates.com

David A. Simons K&L GATES LLP State Street Financial Center One Lincoln Street Boston, Massachusetts 02111-2950 Tel: (617) 261-3100 Fax: (617) 261-3175

david.simons@klgates.com

951039v1